GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Agriculture & Cooperation Department – For Availing fresh WCL of Rs.5000 Crore from NCDC through AP Markfed with Government Guarantee and to transfer the same to APSCSCL as an inter-corporate loan in addition to the existing sanctions for paddy procurement operations during KMS 2025–26 - Orders - Issued.

AGRICULTURE & COOPERATION (MKTG-III) DEPARTMENT

G.O.MS.No. 60 **Dated: 26-11-2025**

Read the following:-

1. G.O.Rt.No. 60 dated 21.10.2025, Consumer Affairs, Food & Civil Supplies (CS.II) Department.
2. From the Civil Supplies Dept., e file Comp.No.1985125.

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ORDER:

In the G.O. 1st read above, Government have issued orders for appointing Andhra Pradesh State Cooperative Marketing Federation Ltd. (AP Markfed) as an additional agency for paddy procurement for the ensuing KMS 2025-26 in all districts in the State to assist the A.P State Civil Supplies Corporation Limited subject to the procurement being done at no additional cost to that currently being incurred. The A.P MARKFED shall undertake Paddy Procurement operations in accordance with the procurement policy orders issued from time to time by Government.

2. In the reference 2nd read above, the Commissioner Civil Supplies and Ex-officio, Secretary has requested the Government to avail fresh working capital loan of ₹5,000.00 Crore (Rupees Five Thousand Crore only) from NCDC through AP Markfed with Government guarantee and transfer the amount to APSCSCL as inter-corporate loan in addition to the existing sanctions, to meet the working capital requirements for Kharif 2025-26 paddy procurement operations.

3. Government after careful examination of the proposal, hereby issued orders for availing fresh working capital loan of ₹5,000.00 Crore (Rupees Five Thousand Crore only)from National Cooperative Development Corporation (NCDC) through Andhra Pradesh State Cooperative Marketing Federation Ltd. (AP MARKFED)with Government Guarantee and to transfer the same to AP State Civil Supplies Corporation Ltd. (APSCSCL), Vijayawada, as an inter-corporate loan in addition to the existing sanctions, to meet the working capital requirements for Kharif 2025-26 paddy procurement operations, subject to the following conditions:

(i) The guarantee will be valid for the entire tenure of the loan period.
(ii) The guarantee is extended for the principal and interest part.

(iii) AP Markfed has to negotiate & ensure zero foreclosure charges clause in the agreement.

(iv) Submission of repayment schedule of principal and interest along with the details such as interest rate, tenure, moratorium period, etc., and conditions, if any.

(v) The Govt Guarantee shall come into force only in the event of failure to pay the obligations to the lending institution by AP MARKFED.

(vi) The deed shall not be valid unless it is signed by the authorized officer of the Finance Dept., Govt. of AP.

(vii) AP MARKFED shall meet the debt servicing from it's own resources.

(xi) The AP Markfed has to pay 2% guarantee commission on the guaranteed amount.

4. The Managing Director, Andhra Pradesh State Cooperative Marketing Federation Ltd.,(AP Markfed) Vijayawada shall take necessary action in the matter.

5. This order is issues with the concurrence of Finance Department vide, U.O.No. FIN01-FMU0PC(AC)/59/2025-FMU-AC-CS-AH (3041814), Dated:25.11.2025.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B RAJSEKHAR
EX-OFFICIO SPECIAL CHIEF SECRETARY TO GOVERNMENT

To
The Managing Director, AP Markfed, Vijayawada.
The Consumer Affairs, Food & Civil Supplies (CS.I) Dept., A.P. Secretariat.
Copy to:
The Finance (FMU- A&C) Department, A.P. Secretariat.
The Commissioner for Cooperation & Registrar of Coop. Societies, AP Guntur.
The P.S to Secretary to Hon’ble Chief Minister, CMO, A.P. Secretariat.
The PS to Hon'ble Minister for Agri. & Coop., A.P. Secretariat.
The P.S to Ex-Officio Spl. Chief Secy. to Govt., A & C Dept., A.P. Secretariat.
Sf/Sc.

//FORWARDED::BY ORDER//

SECTION OFFICER